GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2828
ANSWERED ON:05.12.2002
PROPOSAL FROM RAJASTHAN TO REVIEW GAS PRICE FORMULA
VSM (RETD.) COL. CHOUDHARY

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Union Government have received any proposal from the Government of Rajasthan to review the gas price formula and fix the gas price and transportation charges at a reasonable level;

(b) if so, the status of the proposal;

(c) whether the Government are considering to review the Gas Price Formula and fix the gas price and transportation charges afresh; and

(d) if so, the time by which Gas price would be reviewed and transportation charges would be refixed at a reasonable level by notifying special gas price for use of Natural Gas resources in Rajasthan?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a)to(d) Yes, Sir. Government has laid down a long-term policy for development of hydrocarbon sector which, inter-alia, also provides phased de-regulation of hydrocarbon sector and phased dismantling of Administered Price Mechanism. In line with the above policy, the natural gas prices should be market determined. Some State Governments including Government of Rajasthan have requested Government against any increase in price of natural gas. No decision has been taken in the matter by the Government. While deciding the issue all factors including requests of State Government will be taken into account.